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# STATE ENTREPRENEURSHIP INDEX

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## STATE ENTREPRENEURSHIP INDEX

By Dr. Eric Thompson and Dr. William Walstad

**U**nemployment rates and job growth are popular measures for state economies. However, these trends may differ from the state's performance in core measures of underlying economic strength such as entrepreneurship, net migration and capital formation. Given this, the University of Nebraska - Lincoln Bureau of Business Research seeks to track these core economic measures in Nebraska and in all U.S. states.

The State Entrepreneurship Index is one effort to track these core trends. Specifically, the index is used to track entrepreneurship in all 50 states. The index was initially developed by Eric C. Thompson and William B. Walstad in *Entrepreneurship in Nebraska: Conditions, Attitudes, and Actions* (Gallup Press, 2008). In the current study, we use that methodological approach to and calculate the value of the state entrepreneurship index for 2011 and 2012.

The index is composed of 5 components that consider the income of entrepreneurs, business formation rates, technological innovation, and growth in the number of entrepreneurs.

The five components of the State Entrepreneurship Index are:

- Percent growth in employer establishments
- Percent growth in employer establishments per person

- Business formation rate (*i.e.*, establishment births per person)
- Patents per thousand persons
- Average income per non-farm proprietor

A separate index value is calculated for each of the 5 components. Each component index reflects how much each state's performance deviates from the median state. The state at the median gets a value of 1.0. A state with a value one standard deviation above the median gets a value of 2.0, while a state one standard deviation below the median gets a value of 0.0. The overall entrepreneurship index is calculated by taking a simple average of the five component index values for each state.

The data utilized to calculate values for each of the 5 index components are presented in Table A.1 through A.5 in the appendix. Data are present from 2005 through 2012. Appendix A.6 provides a history of State Entrepreneurship Index values. Analysis in the main text focuses on the two most recent years, 2011 and 2012.

Note that historic values for the State Entrepreneurship Index in 2011 and earlier years may differ due to periodic revisions in the underlying data by the U.S. Department of Labor, the U.S. Department of Commerce, and the U.S. Patent and Trademark Office. Values also may differ because beginning with this edition of the index we now exclude private

household establishments from our estimate of employer establishments. State's treatment of home health aides and other home service providers differs widely in the employer data. Removing establishments classified in this industry improves the consistency of employer establishment data both across states and across years within individual states.

Table 1 illustrates component index values for all 50 states for the year 2012. The Table also shows the overall index value. Data on the number of employer establishments comes from the establishment counts in the Quarterly Census of Employment and Wages developed by the U.S. Bureau of Labor Statistics within the U.S. Department of Labor. The counts include all establishments that participate in their state unemployment insurance program. Data on the population of states, which is used in all per person measures, is from the U.S. Census based on estimated population on July 1, 2012. Data on firm births is from the Business Employment Dynamics database, also developed by the U.S. Bureau of Labor Statistics. Data on patents is collected by the U.S. Patent and Trademark Office. Data on non-farm proprietor income and proprietor counts for each U.S. state is from the Regional Economic Information System of the Bureau of Economic Analysis, which is part of the United States Department of Commerce.

Table 1 shows the ranking for all 50 states both for the state entrepreneurship index overall and for each of the 5 index components. The highest ranked states in the 2012 State Entrepreneurship Index are concentrated in the northern parts of the country. The five highest ranked states are North Dakota, New York, New Hampshire, Minnesota, and Oregon. We note that California, Connecticut, Texas, Pennsylvania, and Colorado also are among the Top 10. Texas is the only Southern state ranked in the Top 10. Its high rank in the State Entrepreneurship Index is consistent with its strong performance on other major indicators such as population and job growth.

North Dakota is the highest ranked state due to entrepreneurial activity related to the energy

boom in the state, in particular a high business formation rate and rapid growth in employer establishments. Other high ranked states tend to rank above the median state (index value greater than 1.0) for all or nearly all of the 5 index components. New York, the second ranked state, was above the median for all 5 components and well above the median for average income per non-farm proprietor. Third ranked New Hampshire also had above-median values for all 5 index components. Fourth ranked Minnesota and fifth ranked Oregon were above the median for 4 of the 5 components; all but income per non-farm proprietor. Texas, the only southern state in the top 10, also was above-median in 4 of 5 components. The business formation rate was the only below-median component.

Michigan was the lowest ranked state in the 2012 State Entrepreneurship Index. Michigan was well below the median value (index value less than 1.0%) for 4 of 5 components. Michigan performed far below the median in establishment growth, business births and income per proprietor. Michigan, however, was above the median in patents per capita, reflecting the ongoing innovation in its economy. Mississippi, Kentucky, Alabama and South Carolina rounded out the bottom 5 states. Each of these states was below the median for all 5 components of the State Entrepreneurship Index.

States near the middle of the ranking often had mixed results, reflecting the unique strengths and weaknesses of each state. Tennessee was the 25<sup>th</sup> ranked state and was well below the median-value for business births and patents per capita. But, Tennessee had very high income per proprietor. Wisconsin was the 26<sup>th</sup> ranked state. Wisconsin was above the median value in patents per capita, reflecting the research strength of the University of Wisconsin and corporate headquarters in the state. However, Wisconsin struggled with business births and was near the median for other components. Nebraska was ranked 16<sup>th</sup>, reflecting strength in establishment growth, business births, and income per non-farm proprietor but the state was well below-the median state in terms of patents per capita

**Table 1**  
**2012 State Entrepreneurship Index Rank and Index Values for Each Subcomponent Index**

<b>State</b>	<b>Growth in Establishments</b>	<b>Growth in Establishments Per Capita</b>	<b>Business Formation Rate</b>	<b>Patents Per Thousand Residents</b>	<b>Average Proprietor Income</b>	<b>Average Index Value</b>	<b>Rank</b>
Alabama	0.057	0.320	0.154	0.136	0.826	0.298	<b>47</b>
Alaska	1.377	1.319	1.375	-0.018	2.267	1.264	<b>19</b>
Arizona	1.758	1.541	0.784	1.250	0.679	1.203	<b>22</b>
Arkansas	-0.162	0.091	1.069	0.057	0.533	0.318	<b>45</b>
California	1.096	1.077	1.002	3.584	1.755	1.703	<b>6</b>
Colorado	0.750	0.371	2.618	1.961	1.844	1.509	<b>10</b>
Connecticut	0.429	0.943	0.611	2.431	3.469	1.577	<b>7</b>
Delaware	-1.131	-1.441	1.736	1.960	1.263	0.478	<b>43</b>
Florida	1.755	1.607	2.838	0.694	-0.143	1.350	<b>15</b>
Georgia	1.035	0.903	1.287	0.785	0.316	0.865	<b>33</b>
Hawaii	0.803	0.691	0.429	0.114	0.374	0.482	<b>42</b>
Idaho	-0.586	-0.669	2.130	2.320	0.508	0.741	<b>38</b>
Illinois	1.304	1.916	0.644	1.389	1.574	1.365	<b>14</b>
Indiana	0.701	1.088	0.102	0.990	0.952	0.767	<b>37</b>
Iowa	1.202	1.648	0.998	0.977	1.198	1.205	<b>21</b>
Kansas	-0.840	-0.803	0.973	1.333	1.325	0.398	<b>44</b>
Kentucky	-0.149	0.139	0.180	0.316	0.734	0.244	<b>48</b>
Louisiana	1.185	1.436	0.498	0.125	1.418	0.933	<b>31</b>
Maine	0.403	0.952	1.499	0.424	0.256	0.707	<b>39</b>
Maryland	0.388	0.413	1.178	0.952	1.165	0.819	<b>35</b>
Massachusetts	-0.585	-0.553	0.750	3.624	2.721	1.191	<b>23</b>
Michigan	-0.925	-0.561	0.057	1.862	0.227	0.132	<b>50</b>
Minnesota	1.902	2.239	0.795	3.092	0.708	1.747	<b>4</b>
Mississippi	0.104	0.467	-0.111	-0.056	0.684	0.218	<b>49</b>
Missouri	0.601	1.053	0.546	0.536	1.513	0.850	<b>34</b>
Montana	0.855	0.951	3.105	0.277	0.021	1.042	<b>27</b>
Nebraska	1.671	1.887	1.169	0.484	1.505	1.343	<b>16</b>
Nevada	1.092	0.726	1.777	1.072	0.470	1.027	<b>28</b>
New Hampshire	1.301	1.839	2.262	2.258	1.793	1.891	<b>3</b>
New Jersey	-0.929	-0.758	1.643	1.945	2.890	0.958	<b>29</b>
New Mexico	0.595	0.964	0.849	0.619	0.078	0.621	<b>41</b>
New York	1.250	1.685	1.603	1.571	4.180	2.058	<b>2</b>
North Carolina	1.267	1.197	0.870	1.131	0.315	0.956	<b>30</b>
North Dakota	5.098	4.626	5.239	0.309	0.888	3.232	<b>1</b>
Ohio	0.315	0.868	0.038	1.227	0.931	0.676	<b>40</b>
Oklahoma	1.337	1.447	0.650	0.295	2.485	1.243	<b>20</b>
Oregon	1.983	2.175	1.600	2.396	0.543	1.739	<b>5</b>
Pennsylvania	1.360	1.955	1.257	1.010	2.236	1.564	<b>9</b>
Rhode Island	0.775	1.433	2.111	1.393	1.495	1.441	<b>13</b>
South Carolina	0.577	0.403	0.340	0.594	-0.346	0.314	<b>46</b>
South Dakota	0.983	0.781	1.451	0.372	0.771	0.872	<b>32</b>
Tennessee	1.017	1.036	0.135	0.415	2.684	1.057	<b>25</b>
Texas	1.625	1.148	0.534	1.170	3.344	1.564	<b>8</b>
Utah	1.319	0.961	2.382	1.688	0.126	1.295	<b>17</b>
Vermont	0.942	1.665	1.812	3.147	-0.082	1.497	<b>11</b>
Virginia	1.876	1.908	1.871	0.655	1.048	1.471	<b>12</b>
Washington	-0.022	-0.268	0.953	3.400	1.672	1.147	<b>24</b>
West Virginia	1.023	1.668	0.050	0.040	1.199	0.796	<b>36</b>
Wisconsin	1.081	1.540	0.371	1.412	0.868	1.054	<b>26</b>
Wyoming	1.028	0.536	2.784	0.636	1.457	1.288	<b>18</b>

Sources: U.S. Department of Labor and U.S. Department of Commerce and U.S. Patent and Trademark Office

## STATE RANKS 2011 AND 2012

There was both stability and volatility in the State Entrepreneurship Index between 2011 and 2012. Many of the top ranked states remained the same or reflected small changes in rank. North Dakota was the highest ranked state in 2012, moving up from the 2<sup>nd</sup> ranking the prior year. New Hampshire climbed from the 6<sup>th</sup> spot in 2011 to the 3<sup>rd</sup> spot in 2012. Minnesota moved from the 9<sup>th</sup> spot to 4<sup>th</sup>. California, Connecticut, Pennsylvania, and Texas were other top ten states in 2012 that were also in the Top 10, or nearly in the Top 10, in 2011. Several states also fell far out of the top rankings in 2012. This occurred due to deterioration in net establishment growth, the most volatile components of the State Entrepreneurship Index. Massachusetts fell from the 1<sup>st</sup> rank in 2011 to 23<sup>rd</sup> in 2012. New Jersey's rank fell from 7<sup>th</sup> to 29<sup>th</sup>.

There was even greater stability at the bottom of the State Entrepreneurship Index ranking. Michigan fell from 49<sup>th</sup> in 2011 to 50<sup>th</sup> in 2012, due to persistent weakness in business formations and establishment growth in the state. Mississippi was the 49<sup>th</sup> ranked state in 2012 and was 45<sup>th</sup> in 2011. The remaining bottom 5 states were in or near the bottom 5 in 2011 as well. These lowest ranked states perform poorly in patent activity and income per non-farm proprietor, in addition to low rates of business formation and net establishment growth. Kansas, the 44<sup>th</sup> ranked states, fell sharply from 2011 to 2012, due to a sharp drop in net establishment growth.

There was significant improvement for several other states due to improvements in net establishment growth. Arizona moved from 39<sup>th</sup> in 2011 up to 22<sup>nd</sup> in 2012 due to significantly faster establishment growth. Nevada experienced a similar movement. Entrepreneurial activity in Arizona and Nevada failed to adjust to the real estate collapse in 2008 and 2009 but is now beginning to recover. Iowa and Nebraska ranked much higher in 2012 than in 2011. Both states had significantly higher establishment growth. Nebraska improved from 24<sup>th</sup> in 2011 up to 16<sup>th</sup> in 2012.

Table 2				
State Entrepreneurship Index, 2011 and 2012				
State	2011 Rank	Index Value	2012 Rank	Index Value
Alabama	42	0.57	47	0.30
Alaska	25	1.15	19	1.26
Arizona	39	0.69	22	1.20
Arkansas	32	0.99	45	0.32
California	13	1.49	6	1.70
Colorado	22	1.18	10	1.51
Connecticut	12	1.49	7	1.58
Delaware	36	0.83	43	0.48
Florida	34	0.88	15	1.35
Georgia	41	0.61	33	0.87
Hawaii	48	0.12	42	0.48
Idaho	35	0.86	38	0.74
Illinois	5	1.71	14	1.37
Indiana	30	1.05	37	0.77
Iowa	43	0.55	21	1.20
Kansas	10	1.56	44	0.40
Kentucky	47	0.22	48	0.24
Louisiana	50	0.02	31	0.93
Maine	21	1.19	39	0.71
Maryland	16	1.37	35	0.82
Massachusetts	1	2.70	23	1.19
Michigan	49	0.10	50	0.13
Minnesota	9	1.60	4	1.75
Mississippi	45	0.37	49	0.22
Missouri	40	0.61	34	0.85
Montana	33	0.92	27	1.04
Nebraska	24	1.15	16	1.34
Nevada	44	0.39	28	1.03
New Hampshire	6	1.69	3	1.89
New Jersey	7	1.63	29	0.96
New Mexico	27	1.12	41	0.62
New York	3	2.36	2	2.06
North Carolina	28	1.12	30	0.96
North Dakota	2	2.58	1	3.23
Ohio	26	1.14	40	0.68
Oklahoma	19	1.30	20	1.24
Oregon	11	1.55	5	1.74
Pennsylvania	8	1.63	9	1.56
Rhode Island	20	1.30	13	1.44
South Carolina	46	0.31	46	0.31
South Dakota	29	1.08	32	0.87
Tennessee	37	0.79	25	1.06
Texas	4	1.72	8	1.56
Utah	23	1.17	17	1.30
Vermont	15	1.43	11	1.50
Virginia	18	1.32	12	1.47
Washington	17	1.34	24	1.15
West Virginia	38	0.71	36	0.80
Wisconsin	31	1.04	26	1.05
Wyoming	14	1.48	18	1.29
Sources: U.S. Departments of Labor, Commerce and Patent Office				

## ESTABLISHMENT GROWTH

This section examines changes in establishment growth between 2011 and 2012. As seen in Table 3, North Dakota remained the top state for establishment growth, given the strength of its energy sector. Three other states remained in the Top 10 in both 2011 and 2012: Pennsylvania, Texas and Virginia. Other states, however, showed significant improvement between 2011 and 2012. Arizona moved from 38<sup>th</sup> rank in 2011 up to 5<sup>th</sup> rank in 2012, and Florida moved from 33<sup>rd</sup> to 6<sup>th</sup>. These states benefited from a recovery in their housing sector. Other state's benefited from more general economic improvement. For example, Oregon moved from 16<sup>th</sup> in 2011 up to 2<sup>nd</sup> in 2012, while Alaska move from 15<sup>th</sup> to 9<sup>th</sup>. Nebraska and Minnesota both moved into the Top 10 in 2012, perhaps buoyed by the strength in the Midwest farm economy in recent years (and despite drought conditions in 2012).

These regional trends were observed in other states as well. Reflecting the strength of the farm economy, Iowa improved from 42<sup>nd</sup> rank in 2011 to 17<sup>th</sup> ranked in 2012. Nevada improved from 48<sup>th</sup> in 2011 to 20<sup>th</sup> in 2012. This improvement also reflects a beginning of a housing sector recovery in another hard-hit state. Louisiana moved from the 49<sup>th</sup> rank in 2011 up to 18<sup>th</sup> in 2012. This improvement in Louisiana may simply reflect special circumstances in the state. The number of establishments declined in the state between 2010 and 2011, as clean-up efforts after the oil spill began to wind down.

There was deterioration in establishment growth in many states during 2012, particularly in the Northeast, which was impacted by a struggling financial sector. Massachusetts fell from 2<sup>nd</sup> ranked in 2011 to 45<sup>th</sup> ranked in 2012. Maryland fell from 9<sup>th</sup> to 38<sup>th</sup> while Maine fell from 13<sup>th</sup> to 37<sup>th</sup>. New York fell in rank and New Jersey fell from 31<sup>st</sup> to 49<sup>th</sup>. Several of the lowest ranked states from 2011 remained at the bottom in 2012 as well. Delaware was 47<sup>th</sup> in 2011 and 50<sup>th</sup> in 2012. Michigan was 50<sup>th</sup> in 2011 and 48<sup>th</sup> in 2012. Idaho was 46<sup>th</sup> in both 2011 and 2012 while Kentucky was 43<sup>rd</sup> during both years.

Table 3				
Percent Establishment Growth, 2011 and 2012				
State	2011 Rank	Index Value	2012 Rank	Index Value
Alabama	26	0.98	41	0.06
Alaska	15	1.60	9	1.38
Arizona	38	0.56	5	1.76
Arkansas	14	1.61	44	-0.16
California	27	0.95	19	1.10
Colorado	44	0.10	31	0.75
Connecticut	40	0.49	36	0.43
Delaware	47	-0.38	50	-1.13
Florida	33	0.72	6	1.75
Georgia	37	0.59	22	1.04
Hawaii	45	0.01	29	0.80
Idaho	46	-0.37	46	-0.59
Illinois	3	2.31	13	1.30
Indiana	18	1.55	32	0.70
Iowa	42	0.19	17	1.20
Kansas	5	2.26	47	-0.84
Kentucky	43	0.12	43	-0.15
Louisiana	49	-0.89	18	1.19
Maine	13	1.62	37	0.40
Maryland	9	2.04	38	0.39
Massachusetts	2	3.31	45	-0.59
Michigan	50	-0.92	48	-0.93
Minnesota	22	1.35	3	1.90
Mississippi	36	0.61	40	0.10
Missouri	41	0.30	33	0.60
Montana	30	0.79	28	0.85
Nebraska	19	1.53	7	1.67
Nevada	48	-0.49	20	1.09
New Hampshire	32	0.76	14	1.30
New Jersey	31	0.78	49	-0.93
New Mexico	8	2.16	34	0.60
New York	7	2.18	16	1.25
North Carolina	11	1.79	15	1.27
North Dakota	1	4.29	1	5.10
Ohio	12	1.64	39	0.32
Oklahoma	20	1.50	11	1.34
Oregon	16	1.57	2	1.98
Pennsylvania	6	2.24	10	1.36
Rhode Island	34	0.67	30	0.78
South Carolina	35	0.62	35	0.58
South Dakota	17	1.56	26	0.98
Tennessee	39	0.51	25	1.02
Texas	4	2.26	8	1.62
Utah	23	1.18	12	1.32
Vermont	28	0.87	27	0.94
Virginia	10	1.80	4	1.88
Washington	29	0.84	42	-0.02
West Virginia	25	1.02	24	1.02
Wisconsin	21	1.44	21	1.08
Wyoming	24	1.10	23	1.03
Source: U.S. Department of Labor				

## GROWTH IN ESTABLISHMENTS PER PERSON

Establishment growth may reflect growth in the population of a state rather than a change in the share of the population involved in entrepreneurship. As a result, some states with a large percentage increase (or decrease) in establishments may not experience a large change in the share of the population involved in entrepreneurship.

States with rapid population growth such as Florida and Arizona tend have a lower rank for the growth in establishments per person than for the growth in the number of establishments. In 2012, Florida was ranked 6<sup>th</sup> in the establishment growth (see Table 3) and 13<sup>th</sup> in growth in establishments per person (see Table 4). Arizona was ranked 5<sup>th</sup> in establishment growth but 14<sup>th</sup> in growth in establishments per person. Utah had a similar decline from 12<sup>th</sup> in establishment growth to near the middle, at 27<sup>th</sup>, in growth in establishments per person. Texas was ranked 8<sup>th</sup> in establishment growth but ranked 21<sup>st</sup> in growth in establishments per person.

States with slower population growth or population loss tend to rank higher in growth in establishments per person. This was common among states in the Northeast and Midwest, where population growth is slower. For example, in 2012 New York was ranked 16<sup>th</sup> in establishment growth but 6<sup>th</sup> in growth in establishments per person. New Hampshire was ranked 14<sup>th</sup> in establishment growth and 8<sup>th</sup> in growth in establishments per person. Vermont goes from a rank of 27<sup>th</sup> in establishment growth to a rank of 11<sup>th</sup> in growth in establishments per person. The state of Rhode Island shows a similar improvement. Missouri, Illinois and Iowa are Midwestern states with a higher rank using growth in establishments per person.

One note should be made about estimates for establishment growth per person in 2010 and 2011, as is seen in Appendix A.2. The U.S. Census does not re-estimate state population for the proceeding decade when a new Census population count is made. As a result, pre-Census estimates for 2010 were used to calculate growth in establishments per person for 2009-2010 and post-Census estimates were used to calculate growth for 2010-2011.

Table 4				
Growth in Establishments Per Person, 2011 and 2012				
State	2011 Rank	Index Value	2012 Rank	Index Value
Alabama	27	0.97	41	0.32
Alaska	28	0.84	19	1.32
Arizona	39	0.19	14	1.54
Arkansas	12	1.50	43	0.09
California	33	0.53	23	1.08
Colorado	45	-0.62	40	0.37
Connecticut	31	0.58	30	0.94
Delaware	49	-0.80	50	-1.44
Florida	43	0.06	13	1.61
Georgia	41	0.11	31	0.90
Hawaii	44	-0.47	35	0.69
Idaho	48	-0.70	47	-0.67
Illinois	3	2.51	5	1.92
Indiana	11	1.54	22	1.09
Iowa	40	0.13	12	1.65
Kansas	5	2.26	49	-0.80
Kentucky	42	0.06	42	0.14
Louisiana	50	-1.12	17	1.44
Maine	9	1.87	28	0.95
Maryland	10	1.66	38	0.41
Massachusetts	2	3.11	45	-0.55
Michigan	46	-0.62	46	-0.56
Minnesota	23	1.12	2	2.24
Mississippi	30	0.69	37	0.47
Missouri	34	0.43	24	1.05
Montana	32	0.55	29	0.95
Nebraska	17	1.31	7	1.89
Nevada	47	-0.66	34	0.73
New Hampshire	25	1.00	8	1.84
New Jersey	29	0.81	48	-0.76
New Mexico	7	1.95	26	0.96
New York	6	2.08	9	1.68
North Carolina	15	1.35	20	1.20
North Dakota	1	3.40	1	4.63
Ohio	8	1.93	32	0.87
Oklahoma	18	1.30	16	1.45
Oregon	20	1.27	3	2.18
Pennsylvania	4	2.36	4	1.95
Rhode Island	22	1.13	18	1.43
South Carolina	36	0.30	39	0.40
South Dakota	21	1.17	33	0.78
Tennessee	37	0.29	25	1.04
Texas	14	1.38	21	1.15
Utah	35	0.40	27	0.96
Vermont	24	1.09	11	1.66
Virginia	16	1.34	6	1.91
Washington	38	0.24	44	-0.27
West Virginia	19	1.29	10	1.67
Wisconsin	13	1.47	15	1.54
Wyoming	26	1.00	36	0.54
Sources: U.S. Departments of Labor and Commerce				

## THE BUSINESS FORMATION RATE

State business formation rates were generally stable between 2011 and 2012, as seen in Table 5. However, selected states showed significant improvement. Iowa moved from the 42<sup>nd</sup> rank in 2011 up to a rank of 26<sup>th</sup> in 2012. Pennsylvania moved from 41<sup>st</sup> in 2011 to the rank of 21<sup>st</sup> in 2012. Other states saw a significant decline. Minnesota dropped from a rank of 18<sup>th</sup> in 2011 to a rank of 31<sup>st</sup> in 2012. While no other state experienced such a large decline in its rank, several states did see a noteworthy decline. Indiana dropped from 39<sup>th</sup> in business formation rate in 2011 to 46<sup>th</sup> in 2012. Massachusetts dropped from 27<sup>th</sup> to 33<sup>rd</sup>.

Beyond changes in the business formation rate, it is interesting to note the strength (or weakness) in business formation in selected states. North Dakota has the highest business formation rate in 2012. There is also substantial strength in many Mountain states. Colorado and Utah, which are the largest Mountain states, are ranked 5<sup>th</sup> and 6<sup>th</sup>, respectively. Montana is ranked 2<sup>nd</sup>, Wyoming is ranked 4<sup>th</sup> and Idaho is ranked 8<sup>th</sup>. Florida is the 3<sup>rd</sup> ranked state, in another sign of that state's economic recovery. Perhaps surprisingly, Texas, a highly ranked state in the overall entrepreneurship index, is a below-median state in terms of the business formation rate. Readers who believe that the business formation rate is the most important indicator of a state's entrepreneurial strength should note this difference.

The lowest ranked states in terms of business formation are concentrated in the industrial Midwest and in the South. Ohio is the 49<sup>th</sup> ranked state, Michigan is 47<sup>th</sup> and Indiana is 46<sup>th</sup>. Wisconsin ranks 41<sup>st</sup> and Illinois is 35<sup>th</sup>. The Illinois economy is more diversified than the others, given the concentration of headquarters locations and service firms in the Chicago area. In the South, Mississippi is the lowest ranked state. West Virginia is ranked 48<sup>th</sup>, Tennessee is ranked 45<sup>th</sup>, Alabama is ranked 44<sup>th</sup>, Kentucky is ranked 43<sup>rd</sup> and South Carolina is ranked 41<sup>st</sup>.

Table 5				
Establishment Births Per Person, 2011 and 2012				
State	2011 Rank	Index Value	2012 Rank	Index Value
Alabama	46	0.00	44	0.15
Alaska	20	1.23	19	1.37
Arizona	32	0.73	32	0.78
Arkansas	21	1.22	24	1.07
California	28	0.93	25	1.00
Colorado	5	2.68	5	2.62
Connecticut	35	0.51	36	0.61
Delaware	9	2.00	13	1.74
Florida	3	3.08	3	2.84
Georgia	22	1.22	20	1.29
Hawaii	36	0.50	40	0.43
Idaho	8	2.11	8	2.13
Illinois	30	0.78	35	0.64
Indiana	39	0.38	46	0.10
Iowa	42	0.24	26	1.00
Kansas	25	1.00	27	0.97
Kentucky	49	-0.13	43	0.18
Louisiana	34	0.55	39	0.50
Maine	12	1.81	17	1.50
Maryland	26	1.00	22	1.18
Massachusetts	27	0.99	33	0.75
Michigan	43	0.11	47	0.06
Minnesota	18	1.60	31	0.79
Mississippi	50	-0.13	50	-0.11
Missouri	40	0.31	37	0.55
Montana	4	2.95	2	3.10
Nebraska	23	1.06	23	1.17
Nevada	16	1.75	12	1.78
New Hampshire	6	2.49	7	2.26
New Jersey	13	1.80	14	1.64
New Mexico	31	0.74	30	0.85
New York	14	1.78	15	1.60
North Carolina	24	1.05	29	0.87
North Dakota	1	4.05	1	5.24
Ohio	48	-0.09	49	0.04
Oklahoma	33	0.72	34	0.65
Oregon	11	1.94	16	1.60
Pennsylvania	41	0.29	21	1.26
Rhode Island	10	1.98	9	2.11
South Carolina	38	0.45	42	0.34
South Dakota	19	1.58	18	1.45
Tennessee	47	-0.01	45	0.14
Texas	37	0.48	38	0.53
Utah	7	2.46	6	2.38
Vermont	15	1.76	11	1.81
Virginia	17	1.70	10	1.87
Washington	29	0.85	28	0.95
West Virginia	44	0.07	48	0.05
Wisconsin	45	0.01	41	0.37
Wyoming	2	3.45	4	2.78
Sources: U.S. Departments of Labor and Commerce				



## PATENTS PER THOUSAND PERSONS

The index component of patents per thousand persons was largely stable in states between 2011 and 2012. Most state ranks were unchanged or nearly unchanged between the two years. There were, however, occasional modest movements in the ranks of some states. Oklahoma fell from 37<sup>th</sup> ranked in 2011 to 42<sup>nd</sup> ranked in 2012, while Maryland fell from 24<sup>th</sup> to 28<sup>th</sup> and Tennessee fell from 34<sup>th</sup> to 38<sup>th</sup>. Among improving states, Wyoming rose from 40<sup>th</sup> in 2011 to 32<sup>nd</sup> in 2012 while Kansas rose from 25<sup>th</sup> to 19<sup>th</sup>. Nevada rose from 28<sup>th</sup> to 24<sup>th</sup>.

Regardless of the change in ranking, it is interesting to observe which states had a consistently high ranking in terms of patent activity. Massachusetts was among the highest ranked states in both 2011 and 2012 as was California. These results reflect the influence of major universities in each state and the Silicon Valley and 128 Corridor areas. Surrounding the Boston area, Connecticut, New Hampshire and Vermont were highly ranked in patents per thousand persons. Many western states ranked high on this measure, in addition to California. Washington was among the top 5 ranked states in both 2011 and 2012 while Oregon was ranked 7<sup>th</sup> in both years. Among Mountain States, Idaho was ranked 8<sup>th</sup> in 2012 and was 6<sup>th</sup> in 2011 while Colorado was ranked 10<sup>th</sup> in 2012 and Utah was ranked 14<sup>th</sup>. Minnesota, a state with many corporate headquarters and a major research University, was ranked 5<sup>th</sup> in 2012 and 4<sup>th</sup> in 2011.

Among the lowest ranked states, Alaska ranks 49<sup>th</sup> in patents per thousand persons while Hawaii ranks 46<sup>th</sup>. But, generally speaking, the lowest ranked states are concentrated in the South. Mississippi is the 50<sup>th</sup> ranked state in terms of patents per thousand persons in 2012. West Virginia is the 48<sup>th</sup> ranked state while Arkansas is ranked 47<sup>th</sup>. Louisiana is the 45<sup>th</sup> ranked state while Alabama is 44<sup>th</sup>. Surprisingly, even southern states with large technology sectors such as Texas, North Carolina, and Virginia were near the median state in patents per thousand residents.

Table 6				
Patents Per Thousand Persons, 2011 and 2012				
State	2011 Rank	Index Value	2012 Rank	Index Value
Alabama	45	0.16	44	0.14
Alaska	50	-0.03	49	-0.02
Arizona	18	1.29	20	1.25
Arkansas	47	0.06	47	0.06
California	3	3.33	2	3.58
Colorado	12	1.82	10	1.96
Connecticut	9	2.36	6	2.43
Delaware	10	1.97	11	1.96
Florida	31	0.66	30	0.69
Georgia	29	0.76	29	0.79
Hawaii	44	0.19	46	0.11
Idaho	6	2.78	8	2.32
Illinois	17	1.34	18	1.39
Indiana	27	0.87	26	0.99
Iowa	26	1.00	27	0.98
Kansas	25	1.00	19	1.33
Kentucky	42	0.33	40	0.32
Louisiana	46	0.13	45	0.13
Maine	36	0.44	37	0.42
Maryland	24	1.00	28	0.95
Massachusetts	2	3.42	1	3.62
Michigan	13	1.72	13	1.86
Minnesota	4	3.22	5	3.09
Mississippi	49	0.03	50	-0.06
Missouri	35	0.51	35	0.54
Montana	43	0.28	43	0.28
Nebraska	39	0.36	36	0.48
Nevada	28	0.86	24	1.07
New Hampshire	8	2.44	9	2.26
New Jersey	11	1.89	12	1.95
New Mexico	32	0.64	33	0.62
New York	15	1.53	15	1.57
North Carolina	22	1.08	23	1.13
North Dakota	38	0.39	41	0.31
Ohio	19	1.25	21	1.23
Oklahoma	37	0.39	42	0.29
Oregon	7	2.45	7	2.40
Pennsylvania	23	1.03	25	1.01
Rhode Island	20	1.24	17	1.39
South Carolina	33	0.52	34	0.59
South Dakota	41	0.34	39	0.37
Tennessee	34	0.52	38	0.42
Texas	21	1.15	22	1.17
Utah	14	1.66	14	1.69
Vermont	1	3.51	4	3.15
Virginia	30	0.71	31	0.66
Washington	5	3.14	3	3.40
West Virginia	48	0.04	48	0.04
Wisconsin	16	1.42	16	1.41
Wyoming	40	0.35	32	0.64

Source: U.S. Patent and Trademark Office

## INCOME PER NON-FARM PROPRIETOR

Income per non-farm proprietor is another index component that was stable between 2011 and 2012. Most states held the same rank or a very similar rank in 2011 and 2012. When states did change rank, the change was only by one or two spots.

There was a regional pattern in state ranks in income per non-farm proprietor. The densely populated Northeast states of New York, New Jersey, and Connecticut were among the highest ranked states. New York was the highest ranked state in terms of income per non-farm proprietor and Connecticut is 2<sup>nd</sup> ranked. New Jersey is the 4<sup>th</sup> ranked state and Massachusetts is 5<sup>th</sup> ranked. Pennsylvania is the 8<sup>th</sup> ranked state.

High ranked states in other regions are typically states without a state income tax. Texas was the 3<sup>rd</sup> ranked state while Tennessee was ranked 6<sup>th</sup>. Alaska was the 9<sup>th</sup> ranked state while New Hampshire was ranked 11<sup>th</sup>. Washington was the 14<sup>th</sup> ranked state in 2012 and Wyoming was ranked 15<sup>th</sup>. Only South Dakota broke the pattern, with a ranking of 31<sup>st</sup>. Among other Western states, Colorado was ranked 10<sup>th</sup> and California was ranked 12<sup>th</sup>.

Many southern states had lower levels of income per non-farm proprietor including Florida, which was ranked 49<sup>th</sup>, South Carolina which was 50<sup>th</sup>, North Carolina which was ranked 42<sup>nd</sup> and Georgia which was ranked 41<sup>st</sup>. Vermont was ranked 48<sup>th</sup> in earnings per non-farm proprietor, demonstrating that patent activity (see Table 6) is not necessarily associated with higher proprietor income.

One technical matter to note is that 2012 values of income per proprietor are estimates. Data on the number of non-farm proprietors by state has not yet been estimated by the Bureau of Economic Analysis within the U.S. Department of Commerce. Income per non-farm proprietor in 2012 was estimated by multiplying the 2011 values by the 2012 growth in non-farm proprietor income.

Table 7				
Income Per Non-Farm Proprietor, 2011 and 2012				
State	2011 Rank	Index Value	2012 Rank	Index Value
Alabama	30	0.77	30	0.83
Alaska	8	2.09	9	2.27
Arizona	35	0.68	34	0.68
Arkansas	37	0.54	36	0.53
California	12	1.71	12	1.76
Colorado	10	1.93	10	1.84
Connecticut	2	3.51	2	3.47
Delaware	21	1.37	20	1.26
Florida	49	-0.10	49	-0.14
Georgia	41	0.35	41	0.32
Hawaii	40	0.38	40	0.37
Idaho	38	0.47	39	0.51
Illinois	14	1.63	13	1.57
Indiana	26	0.92	27	0.95
Iowa	23	1.18	22	1.20
Kansas	20	1.30	21	1.33
Kentucky	32	0.71	33	0.73
Louisiana	19	1.42	19	1.42
Maine	43	0.23	44	0.26
Maryland	24	1.14	24	1.16
Massachusetts	5	2.65	5	2.72
Michigan	44	0.23	43	0.23
Minnesota	33	0.71	32	0.71
Mississippi	34	0.65	35	0.68
Missouri	15	1.49	16	1.51
Montana	47	0.01	47	0.02
Nebraska	16	1.47	18	1.51
Nevada	39	0.51	38	0.47
New Hampshire	11	1.75	11	1.79
New Jersey	4	2.87	4	2.89
New Mexico	46	0.10	46	0.08
New York	1	4.23	1	4.18
North Carolina	42	0.31	42	0.31
North Dakota	28	0.78	29	0.89
Ohio	27	0.96	26	0.93
Oklahoma	7	2.61	7	2.49
Oregon	36	0.51	37	0.54
Pennsylvania	9	2.22	8	2.24
Rhode Island	17	1.48	17	1.49
South Carolina	50	-0.34	50	-0.35
South Dakota	31	0.76	31	0.77
Tennessee	6	2.63	6	2.68
Texas	3	3.33	3	3.34
Utah	45	0.13	45	0.13
Vermont	48	-0.09	48	-0.08
Virginia	25	1.04	25	1.05
Washington	13	1.60	14	1.67
West Virginia	22	1.14	23	1.20
Wisconsin	29	0.86	28	0.87
Wyoming	18	1.50	15	1.46
Sources: U.S. Department of Labor				

Table A.1																	
Non-Farm Establishments and Growth Rate 2005-2012																	
Non-Farm Establishments										Growth Rate							
State	2004	2005	2006	2007	2008	2009	2010	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
Alabama	103,921	107,053	107,565	110,438	112,127	109,543	107,836	107,631	107,290	3.01%	0.48%	2.67%	1.53%	-2.30%	-1.56%	-0.19%	-0.32%
Alaska	18,160	18,448	18,678	18,857	19,097	18,963	19,038	19,154	19,486	1.59%	1.24%	0.96%	1.27%	-0.70%	0.40%	0.61%	1.73%
Arizona	124,378	130,421	141,820	151,444	154,486	146,126	139,060	138,054	141,261	4.86%	8.74%	6.79%	2.01%	-5.41%	-4.84%	-0.72%	2.32%
Arkansas	70,013	72,096	75,155	77,286	79,829	80,678	80,034	80,542	80,014	2.98%	4.24%	2.84%	3.29%	1.06%	-0.80%	0.63%	-0.66%
California	844,501	852,649	870,775	884,724	893,010	884,755	872,397	870,399	881,669	0.96%	2.13%	1.60%	0.94%	-0.92%	-1.40%	-0.23%	1.29%
Colorado	156,745	162,799	167,985	172,411	172,978	170,472	166,041	163,853	165,097	3.86%	3.19%	2.63%	0.33%	-1.45%	-2.60%	-1.32%	0.76%
Connecticut	100,331	101,218	102,077	102,950	103,631	102,923	101,569	100,745	101,008	0.88%	0.85%	0.86%	0.66%	-0.68%	-1.32%	-0.81%	0.26%
Delaware	27,720	29,187	29,191	29,744	29,600	28,344	27,647	27,108	26,523	5.30%	0.01%	1.90%	-0.49%	-4.24%	-2.46%	-1.95%	-2.16%
Florida	499,343	532,106	560,609	580,315	600,014	582,219	575,377	572,382	585,648	6.56%	5.36%	3.52%	3.39%	-2.97%	-1.18%	-0.52%	2.32%
Georgia	231,559	238,448	245,394	254,524	260,649	257,539	253,450	251,695	254,719	2.98%	2.91%	3.72%	2.41%	-1.19%	-1.59%	-0.69%	1.20%
Hawaii	33,732	33,967	34,638	35,820	36,482	36,773	36,304	35,782	36,083	0.70%	1.98%	3.41%	1.85%	0.80%	-1.28%	-1.44%	0.84%
Idaho	45,583	48,060	50,815	53,003	53,592	52,920	51,547	50,554	49,890	5.43%	5.73%	4.30%	1.11%	-1.25%	-2.60%	-1.92%	-1.31%
Illinois	312,517	320,902	331,762	341,279	347,204	352,446	355,640	361,089	366,931	2.68%	3.38%	2.87%	1.74%	1.51%	0.91%	1.53%	1.62%
Indiana	145,911	146,838	148,445	150,931	152,980	152,336	150,518	151,351	152,384	0.64%	1.09%	1.67%	1.36%	-0.42%	-1.19%	0.55%	0.68%
Iowa	84,907	85,137	86,014	86,714	86,963	86,964	86,374	85,327	86,574	0.27%	1.03%	0.81%	0.29%	0.00%	-0.68%	-1.21%	1.46%
Kansas	74,485	75,367	76,422	76,526	77,676	78,795	78,909	80,067	78,699	1.18%	1.40%	0.14%	1.50%	1.44%	0.14%	1.47%	-1.71%
Kentucky	97,397	98,217	101,639	105,474	104,905	99,135	99,651	98,364	97,738	0.84%	3.48%	3.77%	-0.54%	-5.50%	0.52%	-1.29%	-0.64%
Louisiana	106,262	109,582	112,089	112,225	114,255	116,301	120,292	117,155	118,835	3.12%	2.29%	0.12%	1.81%	1.79%	3.43%	-2.61%	1.43%
Maine	44,341	44,786	44,909	45,897	46,528	46,225	44,889	45,178	45,277	1.00%	0.28%	2.20%	1.38%	-0.65%	-2.89%	0.64%	0.22%
Maryland	143,841	148,308	150,771	154,886	155,628	153,161	151,619	153,424	153,727	3.11%	1.66%	2.73%	0.48%	-1.59%	-1.01%	1.19%	0.20%
Massachusetts	187,231	192,538	183,742	184,848	185,642	183,983	185,636	190,885	188,378	2.83%	-4.57%	0.60%	0.43%	-0.89%	0.90%	2.83%	-1.31%
Michigan	244,282	245,859	246,939	248,658	248,279	244,101	237,577	231,314	227,057	0.65%	0.44%	0.70%	-0.15%	-1.68%	-2.67%	-2.64%	-1.84%
Minnesota	146,935	151,123	157,133	156,247	157,989	155,211	152,860	153,305	157,209	2.85%	3.98%	-0.56%	1.12%	-1.76%	-1.51%	0.29%	2.55%
Mississippi	60,380	61,817	62,822	64,079	65,128	65,128	63,999	63,574	63,418	2.38%	1.63%	2.00%	1.64%	0.00%	-1.73%	-0.66%	-0.24%
Missouri	149,635	151,129	152,936	155,024	155,609	152,868	150,872	149,263	150,051	1.00%	1.20%	1.37%	0.38%	-1.76%	-1.31%	-1.07%	0.53%

Table A.1 (Continued)																	
Non-Farm Establishments and Growth Rate 2005-2012																	
Non-Farm Establishments										Growth Rate							
State	2004	2005	2006	2007	2008	2009	2010	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
Montana	38,915	37,391	38,235	39,490	40,295	40,118	39,564	39,392	39,755	-3.92%	2.26%	3.28%	2.04%	-0.44%	-1.38%	-0.43%	0.92%
Nebraska	50,741	51,907	53,197	54,046	54,915	55,254	55,194	55,484	56,698	2.30%	2.48%	1.60%	1.61%	0.62%	-0.11%	0.53%	2.19%
Nevada	60,976	64,500	68,705	72,760	75,100	74,427	71,129	69,642	70,540	5.78%	6.52%	5.90%	3.22%	-0.90%	-4.43%	-2.09%	1.29%
New Hampshire	44,278	44,548	45,477	46,007	46,295	45,890	45,177	44,963	45,688	0.61%	2.09%	1.17%	0.63%	-0.88%	-1.55%	-0.47%	1.61%
New Jersey	253,969	260,119	262,394	261,332	261,706	255,043	255,444	254,318	249,625	2.42%	0.87%	-0.40%	0.14%	-2.55%	0.16%	-0.44%	-1.85%
New Mexico	45,716	46,176	47,686	48,967	49,861	49,729	50,007	50,680	50,943	1.01%	3.27%	2.69%	1.83%	-0.26%	0.56%	1.35%	0.52%
New York	521,638	529,013	537,002	543,337	549,579	551,545	553,644	561,238	569,848	1.41%	1.51%	1.18%	1.15%	0.36%	0.38%	1.37%	1.53%
North Carolina	215,263	219,624	228,082	237,882	244,604	241,831	238,130	240,190	243,937	2.03%	3.85%	4.30%	2.83%	-1.13%	-1.53%	0.86%	1.56%
North Dakota	22,133	22,662	22,992	22,677	23,166	23,370	23,645	24,614	26,461	2.39%	1.46%	-1.37%	2.16%	0.88%	1.18%	4.10%	7.51%
Ohio	268,664	270,462	271,367	272,929	275,425	271,915	266,970	268,752	268,977	0.67%	0.33%	0.58%	0.91%	-1.27%	-1.82%	0.67%	0.08%
Oklahoma	85,351	87,506	89,493	91,967	94,020	94,198	95,241	95,709	97,307	2.52%	2.27%	2.76%	2.23%	0.19%	1.11%	0.49%	1.67%
Oregon	109,587	112,585	117,544	121,077	119,804	117,260	116,338	117,012	120,137	2.74%	4.41%	3.01%	-1.05%	-2.12%	-0.79%	0.58%	2.67%
Pennsylvania	304,695	309,611	313,046	320,351	323,709	323,281	321,931	326,587	332,156	1.61%	1.11%	2.33%	1.05%	-0.13%	-0.42%	1.45%	1.71%
Rhode Island	33,787	34,433	34,693	34,810	34,446	33,935	33,406	33,211	33,476	1.91%	0.75%	0.34%	-1.04%	-1.48%	-1.56%	-0.58%	0.80%
South Carolina	103,991	110,244	117,581	113,775	110,877	107,397	103,448	102,780	103,284	6.01%	6.65%	-3.24%	-2.55%	-3.14%	-3.68%	-0.65%	0.49%
South Dakota	25,948	26,582	27,125	27,548	27,859	28,147	28,231	28,392	28,710	2.45%	2.04%	1.56%	1.13%	1.03%	0.30%	0.57%	1.12%
Tennessee	122,271	124,426	128,274	132,840	135,845	134,272	131,974	130,934	132,469	1.76%	3.09%	3.56%	2.26%	-1.16%	-1.71%	-0.79%	1.17%
Texas	477,222	487,236	498,662	524,618	528,676	527,998	530,268	538,092	549,479	2.10%	2.34%	5.21%	0.77%	-0.13%	0.43%	1.48%	2.12%
Utah	70,264	75,200	79,632	81,456	81,965	80,272	77,828	77,886	79,164	7.03%	5.89%	2.29%	0.62%	-2.07%	-3.04%	0.07%	1.64%
Vermont	21,975	22,288	22,491	22,744	22,875	22,642	22,185	22,113	22,346	1.42%	0.91%	1.12%	0.58%	-1.02%	-2.02%	-0.33%	1.06%
Virginia	188,375	194,737	199,123	209,384	212,284	213,443	213,222	215,082	220,469	3.38%	2.25%	5.15%	1.39%	0.55%	-0.10%	0.87%	2.50%
Washington	161,389	164,819	169,509	174,150	176,640	176,468	172,866	172,242	171,486	2.13%	2.85%	2.74%	1.43%	-0.10%	-2.04%	-0.36%	-0.44%
West Virginia	43,272	43,615	43,777	44,057	43,980	43,435	43,143	43,088	43,598	0.79%	0.37%	0.64%	-0.17%	-1.24%	-0.67%	-0.13%	1.18%
Wisconsin	145,164	147,879	149,604	146,354	147,981	144,004	141,694	142,275	144,085	1.87%	1.17%	-2.17%	1.11%	-2.69%	-1.60%	0.41%	1.27%
Wyoming	20,531	21,190	21,974	22,519	23,111	23,300	23,180	23,175	23,451	3.21%	3.70%	2.48%	2.63%	0.82%	-0.52%	-0.02%	1.19%
Sources: U.S. Departments of Labor and Commerce																	
Note: Average value of quarterly establishments Q4 of previous year through Q3 of current year																	

Table A.2																		
Growth Rate of Non-Farm Establishments Per Person 2005-2012																		
Population Estimates (July 1 of Year)											Growth Rate in Non-Farm Establishments Per Capita							
State	2004	2005	2006	2007	2008	2009	2010 Pre-Census	2010 Post-Census	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
Alabama	4,512,190	4,545,049	4,597,688	4,637,904	4,677,464	4,708,708	4,729,656	4,784,762	4,803,689	4,822,023	2.3%	-0.7%	1.8%	0.7%	-3.0%	-2.0%	-0.6%	-0.7%
Alaska	661,569	669,488	677,325	682,297	688,125	698,473	708,862	714,046	723,860	731,449	0.4%	0.1%	0.2%	0.4%	-2.2%	-1.1%	-0.8%	0.7%
Arizona	5,759,425	5,974,834	6,192,100	6,362,241	6,499,377	6,595,778	6,676,627	6,410,810	6,467,315	6,553,255	1.1%	4.9%	3.9%	-0.1%	-6.8%	-6.0%	-1.6%	1.0%
Arkansas	2,746,161	2,776,221	2,815,097	2,842,194	2,867,764	2,889,450	2,910,236	2,922,750	2,938,582	2,949,131	1.9%	2.8%	1.9%	2.4%	0.3%	-1.5%	0.1%	-1.0%
California	35,558,419	35,795,255	35,979,208	36,226,122	36,580,371	36,961,664	37,266,600	37,334,410	37,683,933	38,041,430	0.3%	1.6%	0.9%	0.0%	-1.9%	-2.2%	-1.2%	0.3%
Colorado	4,599,681	4,660,780	4,753,044	4,842,259	4,935,213	5,024,748	5,095,309	5,048,472	5,116,302	5,187,582	2.5%	1.2%	0.7%	-1.6%	-3.2%	-3.9%	-2.6%	-0.6%
Connecticut	3,474,610	3,477,416	3,485,162	3,488,633	3,502,932	3,518,288	3,526,937	3,576,616	3,586,717	3,590,347	0.8%	0.6%	0.8%	0.3%	-1.1%	-1.6%	-1.1%	0.2%
Delaware	826,639	839,906	853,022	864,896	876,211	885,122	891,464	899,824	908,137	917,092	3.6%	-1.5%	0.5%	-1.8%	-5.2%	-3.2%	-2.8%	-3.1%
Florida	17,375,259	17,783,868	18,088,505	18,277,888	18,423,878	18,537,969	18,678,049	18,845,967	19,082,262	19,317,568	4.1%	3.6%	2.4%	2.6%	-3.6%	-1.9%	-1.8%	1.1%
Georgia	8,913,676	9,097,428	9,330,086	9,533,761	9,697,838	9,829,211	9,908,357	9,714,748	9,812,460	9,919,945	0.9%	0.3%	1.5%	0.7%	-2.5%	-2.4%	-1.7%	0.1%
Hawaii	1,252,782	1,266,117	1,275,599	1,276,832	1,287,481	1,295,178	1,300,086	1,364,274	1,378,129	1,392,313	-0.4%	1.2%	3.3%	1.0%	0.2%	-1.6%	-2.4%	-0.2%
Idaho	1,391,718	1,425,862	1,464,413	1,499,245	1,527,506	1,545,801	1,559,796	1,570,784	1,583,744	1,595,728	2.9%	3.0%	1.9%	-0.8%	-2.4%	-3.5%	-2.7%	-2.1%
Illinois	12,645,295	12,674,452	12,718,011	12,779,417	12,842,954	12,910,409	12,944,410	12,840,459	12,859,752	12,875,255	2.4%	3.0%	2.4%	1.2%	1.0%	0.6%	1.4%	1.5%
Indiana	6,214,454	6,253,120	6,301,700	6,346,113	6,388,309	6,423,113	6,445,295	6,489,856	6,516,353	6,537,334	0.0%	0.3%	1.0%	0.7%	-1.0%	-1.5%	0.1%	0.4%
Iowa	2,941,358	2,949,450	2,964,391	2,978,719	2,993,987	3,007,856	3,023,081	3,050,321	3,064,097	3,074,186	0.0%	0.5%	0.3%	-0.2%	-0.5%	-1.2%	-1.7%	1.1%
Kansas	2,730,765	2,741,771	2,755,700	2,775,586	2,797,375	2,818,747	2,841,121	2,858,837	2,870,386	2,885,905	0.8%	0.9%	-0.6%	0.7%	0.7%	-0.6%	1.1%	-2.2%
Kentucky	4,147,970	4,182,293	4,219,374	4,256,278	4,287,931	4,314,113	4,339,435	4,346,655	4,366,814	4,380,415	0.0%	2.6%	2.9%	-1.3%	-6.1%	-0.1%	-1.7%	-0.9%
Louisiana	4,489,327	4,497,691	4,240,327	4,376,122	4,451,513	4,492,076	4,529,426	4,544,125	4,574,766	4,601,893	2.9%	8.5%	-3.0%	0.1%	0.9%	2.6%	-3.3%	0.8%
Maine	1,308,253	1,311,631	1,314,963	1,317,308	1,319,691	1,318,301	1,312,939	1,327,585	1,328,544	1,329,192	0.7%	0.0%	2.0%	1.2%	-0.5%	-2.5%	0.6%	0.2%
Maryland	5,542,659	5,582,520	5,612,196	5,634,242	5,658,655	5,699,478	5,737,274	5,787,998	5,839,572	5,884,563	2.4%	1.1%	2.3%	0.0%	-2.3%	-1.7%	0.3%	-0.6%
Massachusetts	6,451,279	6,453,031	6,466,399	6,499,275	6,543,595	6,593,587	6,631,280	6,563,259	6,607,003	6,646,144	2.8%	-4.8%	0.1%	-0.3%	-1.6%	0.3%	2.1%	-1.9%
Michigan	10,089,305	10,090,554	10,082,438	10,050,847	10,002,486	9,969,727	9,931,235	9,877,670	9,876,801	9,883,360	0.6%	0.5%	1.0%	0.3%	-1.4%	-2.3%	-2.6%	-1.9%
Minnesota	5,079,344	5,106,560	5,148,346	5,191,206	5,230,567	5,266,214	5,290,447	5,310,737	5,347,299	5,379,139	2.3%	3.1%	-1.4%	0.4%	-2.4%	-2.0%	-0.4%	1.9%
Mississippi	2,886,006	2,900,116	2,897,150	2,921,723	2,940,212	2,951,996	2,960,467	2,969,137	2,977,457	2,984,926	1.9%	1.7%	1.1%	1.0%	-0.4%	-2.0%	-0.9%	-0.5%
Missouri	5,758,444	5,806,639	5,861,572	5,909,824	5,956,335	5,987,580	6,011,741	5,996,092	6,008,984	6,021,988	0.2%	0.2%	0.5%	-0.4%	-2.3%	-1.7%	-1.3%	0.3%

Table A.2 (Continued)																		
Growth Rate of Non-Farm Establishments Per Person 2005-2012																		
Population Estimates (July 1 of Year)											Growth Rate in Non-Farm Establishments Per Capita							
State	2004	2005	2006	2007	2008	2009	2010 Pre-Census	2010 Post-Census	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
Montana	925,887	934,801	946,230	957,225	968,035	974,989	980,152	990,735	997,667	1,005,141	-4.8%	1.0%	2.1%	0.9%	-1.1%	-1.9%	-1.1%	0.2%
Nebraska	1,742,184	1,751,721	1,760,435	1,769,912	1,781,949	1,796,619	1,811,072	1,829,696	1,842,234	1,855,525	1.7%	2.0%	1.1%	0.9%	-0.2%	-0.9%	-0.2%	1.5%
Nevada	2,328,703	2,408,804	2,493,405	2,567,752	2,615,772	2,643,085	2,654,751	2,703,758	2,720,028	2,758,931	2.3%	2.9%	2.8%	1.3%	-1.9%	-4.9%	-2.7%	-0.1%
New Hampshire	1,292,766	1,301,415	1,311,894	1,317,343	1,321,872	1,324,575	1,323,531	1,316,843	1,317,807	1,320,718	-0.1%	1.3%	0.7%	0.3%	-1.1%	-1.5%	-0.5%	1.4%
New Jersey	8,611,530	8,621,837	8,623,721	8,636,043	8,663,398	8,707,739	8,732,811	8,803,388	8,834,773	8,864,590	2.3%	0.9%	-0.5%	-0.2%	-3.0%	-0.1%	-0.8%	-2.2%
New Mexico	1,891,829	1,916,538	1,942,608	1,968,731	1,986,763	2,009,671	2,033,875	2,064,767	2,078,674	2,085,538	-0.3%	1.9%	1.3%	0.9%	-1.4%	-0.6%	0.7%	0.2%
New York	19,297,933	19,330,891	19,356,564	19,422,777	19,467,789	19,541,453	19,577,730	19,399,242	19,501,616	19,570,261	1.2%	1.4%	0.8%	0.9%	0.0%	0.2%	0.8%	1.2%
North Carolina	8,531,283	8,669,452	8,866,977	9,064,074	9,247,134	9,380,884	9,458,888	9,559,048	9,651,103	9,752,073	0.4%	1.5%	2.0%	0.8%	-2.5%	-2.3%	-0.1%	0.5%
North Dakota	636,303	635,365	636,771	638,202	641,421	646,844	653,778	674,363	684,740	699,628	2.5%	1.2%	-1.6%	1.6%	0.0%	0.1%	2.5%	5.2%
Ohio	11,464,593	11,475,262	11,492,495	11,520,815	11,528,072	11,542,645	11,532,111	11,538,290	11,541,007	11,544,225	0.6%	0.2%	0.3%	0.9%	-1.4%	-1.7%	0.6%	0.1%
Oklahoma	3,514,449	3,532,769	3,574,334	3,612,186	3,644,025	3,687,050	3,724,447	3,759,482	3,784,163	3,814,820	2.0%	1.1%	1.7%	1.3%	-1.0%	0.1%	-0.2%	0.9%
Oregon	3,573,505	3,617,869	3,677,545	3,732,957	3,782,991	3,825,657	3,855,536	3,838,212	3,868,229	3,899,353	1.5%	2.7%	1.5%	-2.4%	-3.2%	-1.6%	-0.2%	1.9%
Pennsylvania	12,388,368	12,418,161	12,471,142	12,522,531	12,566,368	12,604,767	12,632,780	12,711,308	12,743,948	12,763,536	1.4%	0.7%	1.9%	0.7%	-0.4%	-0.6%	1.2%	1.5%
Rhode Island	1,071,414	1,064,989	1,060,196	1,055,009	1,053,502	1,053,209	1,056,870	1,052,769	1,050,646	1,050,292	2.5%	1.2%	0.8%	-0.9%	-1.5%	-1.9%	-0.4%	0.8%
South Carolina	4,201,306	4,256,199	4,339,399	4,424,232	4,503,280	4,561,242	4,596,958	4,635,835	4,673,348	4,723,723	4.6%	4.6%	-5.1%	-4.3%	-4.4%	-4.4%	-1.4%	-0.6%
South Dakota	774,283	780,084	788,519	797,035	804,532	812,383	820,077	816,223	823,593	833,354	1.7%	0.9%	0.5%	0.2%	0.1%	-0.6%	-0.3%	-0.1%
Tennessee	5,916,762	5,995,748	6,089,453	6,172,862	6,240,456	6,296,254	6,338,112	6,356,673	6,399,787	6,456,243	0.4%	1.5%	2.2%	1.2%	-2.0%	-2.4%	-1.5%	0.3%
Texas	22,418,319	22,801,920	23,369,024	23,837,701	24,304,290	24,782,302	25,213,445	25,242,683	25,631,778	26,059,203	0.4%	-0.1%	3.1%	-1.2%	-2.1%	-1.3%	-0.1%	0.4%
Utah	2,438,915	2,499,637	2,583,724	2,663,796	2,727,343	2,784,572	2,830,753	2,775,093	2,814,347	2,855,287	4.4%	2.4%	-0.8%	-1.7%	-4.1%	-4.6%	-1.3%	0.2%
Vermont	618,145	618,814	619,985	620,460	621,049	621,760	622,433	625,916	626,592	626,011	1.3%	0.7%	1.0%	0.5%	-1.1%	-2.1%	-0.4%	1.2%
Virginia	7,468,914	7,563,887	7,646,996	7,719,749	7,795,424	7,882,590	7,952,119	8,025,105	8,104,384	8,185,867	2.1%	1.1%	4.2%	0.4%	-0.6%	-1.0%	-0.1%	1.5%
Washington	6,184,289	6,261,282	6,372,243	6,464,979	6,566,073	6,664,195	6,746,199	6,743,636	6,823,267	6,897,012	0.9%	1.1%	1.3%	-0.1%	-1.6%	-3.2%	-1.5%	-1.5%
West Virginia	1,803,302	1,803,920	1,807,237	1,811,198	1,814,873	1,819,777	1,825,513	1,854,019	1,854,908	1,855,413	0.8%	0.2%	0.4%	-0.4%	-1.5%	-1.0%	-0.2%	1.2%
Wisconsin	5,511,385	5,541,443	5,571,680	5,601,571	5,627,610	5,654,774	5,668,519	5,689,591	5,709,843	5,726,398	1.3%	0.6%	-2.7%	0.6%	-3.2%	-1.8%	0.1%	1.0%
Wyoming	502,988	506,242	512,841	523,414	532,981	544,270	547,637	564,367	567,356	576,412	2.5%	2.4%	0.4%	0.8%	-1.3%	-1.1%	-0.5%	-0.4%
Sources: U.S. Departments of Labor and Commerce																		
Note: For consistency in comparison, 2010 growth rate estimates were calculated utilizing pre-Census population estimates for 2010																		

Table A.3																
Establishments Births and Establishment Births Per Person 2005-2012																
Establishment Births									Establishment Births Per Person							
State	2005	2006	2007	2008	2009	2010	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
Alabama	10,640	10,579	10,926	10,110	8,133	8,766	9,119	9,079	0.00234	0.00230	0.00236	0.00216	0.00173	0.00183	0.00190	0.00188
Alaska	2,072	1,967	1,957	1,999	1,876	1,863	1,891	1,972	0.00309	0.00290	0.00287	0.00290	0.00269	0.00261	0.00261	0.00270
Arizona	18,921	21,060	18,645	16,978	15,804	14,865	15,005	15,091	0.00317	0.00340	0.00293	0.00261	0.00240	0.00232	0.00232	0.00230
Arkansas	7,649	9,592	7,802	8,658	6,946	7,520	7,655	7,351	0.00276	0.00341	0.00275	0.00302	0.00240	0.00257	0.00260	0.00249
California	103,200	103,037	100,593	95,999	81,095	87,347	91,869	93,131	0.00288	0.00286	0.00278	0.00262	0.00219	0.00234	0.00244	0.00245
Colorado	21,132	21,118	21,283	20,443	17,087	16,740	17,649	18,281	0.00453	0.00444	0.00440	0.00414	0.00340	0.00332	0.00345	0.00352
Connecticut	8,453	8,907	8,734	8,295	6,918	7,296	7,881	7,854	0.00243	0.00256	0.00250	0.00237	0.00197	0.00204	0.00220	0.00219
Delaware	2,930	3,383	2,955	2,986	2,370	2,690	2,776	2,693	0.00349	0.00397	0.00342	0.00341	0.00268	0.00299	0.00306	0.00294
Florida	84,374	84,380	80,907	73,480	65,036	66,736	70,267	70,901	0.00474	0.00466	0.00443	0.00399	0.00351	0.00354	0.00368	0.00367
Georgia	30,719	29,882	30,017	28,920	23,850	25,199	25,561	26,167	0.00338	0.00320	0.00315	0.00298	0.00243	0.00259	0.00260	0.00264
Hawaii	3,276	3,303	3,283	3,158	2,623	2,899	3,019	2,877	0.00259	0.00259	0.00257	0.00245	0.00203	0.00212	0.00219	0.00207
Idaho	6,577	7,121	6,440	5,709	4,624	4,822	4,945	5,105	0.00461	0.00486	0.00430	0.00374	0.00299	0.00307	0.00312	0.00320
Illinois	32,120	32,041	29,171	30,053	26,981	27,724	30,217	28,449	0.00253	0.00252	0.00228	0.00234	0.00209	0.00216	0.00235	0.00221
Indiana	14,127	13,266	13,551	13,248	10,660	11,284	13,819	12,085	0.00226	0.00211	0.00214	0.00207	0.00166	0.00174	0.00212	0.00185
Iowa	7,116	7,109	6,973	6,688	5,903	4,723	6,249	7,516	0.00241	0.00240	0.00234	0.00223	0.00196	0.00155	0.00204	0.00244
Kansas	7,223	7,322	7,138	7,363	6,759	6,015	7,121	7,008	0.00263	0.00266	0.00257	0.00263	0.00240	0.00210	0.00248	0.00243
Kentucky	9,304	8,334	9,522	8,845	7,344	7,599	7,984	8,325	0.00222	0.00198	0.00224	0.00206	0.00170	0.00175	0.00183	0.00190
Louisiana	10,132	11,495	11,894	10,676	9,489	9,482	10,156	9,721	0.00225	0.00271	0.00272	0.00240	0.00211	0.00209	0.00222	0.00211
Maine	4,322	4,445	4,240	4,132	3,784	3,788	3,914	3,694	0.00330	0.00338	0.00322	0.00313	0.00287	0.00285	0.00295	0.00278
Maryland	17,056	16,344	15,196	15,403	13,783	13,912	14,467	15,093	0.00306	0.00291	0.00270	0.00272	0.00242	0.00240	0.00248	0.00256
Massachusetts	17,938	16,493	16,414	15,334	13,257	14,020	16,348	15,153	0.00278	0.00255	0.00253	0.00234	0.00201	0.00214	0.00247	0.00228
Michigan	23,751	21,513	20,974	20,327	19,425	17,871	19,391	17,975	0.00235	0.00213	0.00209	0.00203	0.00195	0.00181	0.00196	0.00182
Minnesota	11,549	14,222	16,520	12,505	12,058	10,391	15,105	12,424	0.00226	0.00276	0.00318	0.00239	0.00229	0.00196	0.00282	0.00231
Mississippi	5,956	6,902	6,685	5,914	4,944	5,281	5,428	5,095	0.00205	0.00238	0.00229	0.00201	0.00167	0.00178	0.00182	0.00171
Missouri	14,796	15,200	14,545	12,222	12,832	11,729	12,488	12,914	0.00255	0.00259	0.00246	0.00205	0.00214	0.00196	0.00208	0.00214

Table A.3 (Continued)

## Establishments Births and Establishment Births Per Person 2005-2012

Establishment Births									Establishment Births Per Person							
State	2005	2006	2007	2008	2009	2010	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
Montana	4,283	4,316	4,246	3,789	3,373	3,232	3,599	3,868	0.00458	0.00456	0.00444	0.00391	0.00346	0.00326	0.00361	0.00385
Nebraska	4,870	4,758	4,709	4,818	4,237	4,317	4,634	4,749	0.00278	0.00270	0.00266	0.00270	0.00236	0.00236	0.00252	0.00256
Nevada	9,849	9,787	9,699	9,089	7,497	7,640	7,921	8,177	0.00409	0.00393	0.00378	0.00347	0.00284	0.00283	0.00291	0.00296
New Hampshire	4,846	5,017	4,660	4,696	3,888	4,246	4,404	4,341	0.00372	0.00382	0.00354	0.00355	0.00294	0.00322	0.00334	0.00329
New Jersey	31,145	30,378	28,961	27,534	24,080	23,965	25,998	25,484	0.00361	0.00352	0.00335	0.00318	0.00277	0.00272	0.00294	0.00287
New Mexico	5,593	5,970	5,889	5,657	4,767	4,770	4,844	4,893	0.00292	0.00307	0.00299	0.00285	0.00237	0.00231	0.00233	0.00235
New York	54,961	55,655	55,176	53,341	49,145	52,559	57,120	55,744	0.00284	0.00288	0.00284	0.00274	0.00251	0.00271	0.00293	0.00285
North Carolina	21,536	24,600	32,851	24,823	20,370	21,765	24,208	23,011	0.00248	0.00277	0.00362	0.00268	0.00217	0.00228	0.00251	0.00236
North Dakota	1,903	2,065	2,043	2,027	1,747	2,079	2,906	3,687	0.00300	0.00324	0.00320	0.00316	0.00270	0.00308	0.00424	0.00527
Ohio	23,264	22,121	23,091	21,062	17,638	18,366	21,365	20,847	0.00203	0.00192	0.00200	0.00183	0.00153	0.00159	0.00185	0.00181
Oklahoma	9,025	10,215	9,594	9,011	8,411	8,955	8,760	8,445	0.00255	0.00286	0.00266	0.00247	0.00228	0.00238	0.00231	0.00221
Oregon	12,810	13,240	13,005	12,176	10,489	11,549	11,699	11,098	0.00354	0.00360	0.00348	0.00322	0.00274	0.00301	0.00302	0.00285
Pennsylvania	32,141	33,079	28,332	28,956	26,281	27,174	26,357	33,411	0.00259	0.00265	0.00226	0.00230	0.00209	0.00214	0.00207	0.00262
Rhode Island	3,674	3,410	3,361	3,184	2,768	3,031	3,201	3,347	0.00345	0.00322	0.00319	0.00302	0.00263	0.00288	0.00305	0.00319
South Carolina	10,972	12,607	12,156	11,068	9,087	9,178	10,109	9,479	0.00258	0.00291	0.00275	0.00246	0.00199	0.00198	0.00216	0.00201
South Dakota	2,442	2,451	2,234	2,328	2,126	2,213	2,319	2,289	0.00313	0.00311	0.00280	0.00289	0.00262	0.00271	0.00282	0.00275
Tennessee	13,946	14,086	14,101	13,507	10,984	11,770	12,143	12,078	0.00233	0.00231	0.00228	0.00216	0.00174	0.00185	0.00190	0.00187
Texas	54,747	57,856	56,419	57,223	50,346	51,660	55,782	55,660	0.00240	0.00248	0.00237	0.00235	0.00203	0.00205	0.00218	0.00214
Utah	11,163	11,947	11,776	10,151	8,663	8,599	9,359	9,613	0.00447	0.00462	0.00442	0.00372	0.00311	0.00310	0.00333	0.00337
Vermont	1,769	1,895	1,927	1,903	1,689	1,714	1,829	1,870	0.00286	0.00306	0.00311	0.00306	0.00272	0.00274	0.00292	0.00299
Virginia	22,357	22,123	25,410	23,788	22,011	22,218	23,350	24,775	0.00296	0.00289	0.00329	0.00305	0.00279	0.00277	0.00288	0.00303
Washington	18,183	18,632	18,421	18,377	15,080	15,162	16,340	16,656	0.00290	0.00292	0.00285	0.00280	0.00226	0.00225	0.00239	0.00241
West Virginia	4,036	4,007	3,724	3,535	3,202	3,276	3,604	3,365	0.00224	0.00222	0.00206	0.00195	0.00176	0.00177	0.00194	0.00181
Wisconsin	11,706	12,321	10,992	10,986	9,056	9,678	10,874	11,609	0.00211	0.00221	0.00196	0.00195	0.00160	0.00170	0.00190	0.00203
Wyoming	2,406	2,617	2,591	2,521	2,055	2,231	2,212	2,095	0.00475	0.00510	0.00495	0.00473	0.00378	0.00395	0.00390	0.00363

Sources: U.S. Departments of Labor and Commerce



Table A.4  
Patents and Patents Per Thousand Persons 2005-2012

Patents									Patents Per Thousand Persons							
State	2005	2006	2007	2008	2009	2010	2011	2012	2005	2006	2007	2008	2009	2010	2011	2012
Alabama	359	429	358	354	377	538	416	478	0.0790	0.0933	0.0772	0.0757	0.0801	0.1124	0.0866	0.0991
Alaska	36	45	24	28	55	33	32	46	0.0538	0.0664	0.0352	0.0407	0.0787	0.0462	0.0442	0.0629
Arizona	1,598	1,893	1,826	1,892	1,759	2,169	2,248	2,370	0.2675	0.3057	0.2870	0.2911	0.2667	0.3383	0.3476	0.3617
Arkansas	153	185	169	152	154	216	188	238	0.0551	0.0657	0.0595	0.0530	0.0533	0.0739	0.0640	0.0807
California	19,656	25,039	22,594	22,200	23,354	30,076	30,748	34,659	0.5491	0.6959	0.6237	0.6069	0.6318	0.8056	0.8159	0.9111
Colorado	1,972	2,349	1,983	1,868	1,968	2,435	2,397	2,744	0.4231	0.4942	0.4095	0.3785	0.3917	0.4823	0.4685	0.5290
Connecticut	1,677	1,857	1,611	1,595	1,661	2,111	2,121	2,297	0.4823	0.5328	0.4618	0.4553	0.4721	0.5902	0.5913	0.6398
Delaware	341	396	359	353	342	391	457	485	0.4060	0.4642	0.4151	0.4029	0.3864	0.4345	0.5032	0.5288
Florida	2,707	3,261	3,092	2,808	2,899	3,723	3,841	4,453	0.1522	0.1803	0.1692	0.1524	0.1564	0.1975	0.2013	0.2305
Georgia	1,358	1,719	1,580	1,585	1,666	2,194	2,206	2,501	0.1493	0.1842	0.1657	0.1634	0.1695	0.2258	0.2248	0.2521
Hawaii	58	101	82	101	96	144	128	131	0.0458	0.0792	0.0642	0.0784	0.0741	0.1056	0.0929	0.0941
Idaho	1,549	1,717	1,388	1,207	985	1,162	1,089	979	1.0864	1.1725	0.9258	0.7902	0.6372	0.7398	0.6876	0.6135
Illinois	3,297	4,053	3,711	3,580	3,615	4,374	4,594	5,078	0.2601	0.3187	0.2904	0.2788	0.2800	0.3406	0.3572	0.3944
Indiana	1,246	1,499	1,381	1,195	1,246	1,697	1,633	1,963	0.1993	0.2379	0.2176	0.1871	0.1940	0.2615	0.2506	0.3003
Iowa	629	732	664	644	730	809	856	914	0.2133	0.2469	0.2229	0.2151	0.2427	0.2652	0.2794	0.2973
Kansas	455	581	523	543	509	728	805	1,100	0.1660	0.2108	0.1884	0.1941	0.1806	0.2546	0.2805	0.3812
Kentucky	377	471	505	469	457	601	551	620	0.0901	0.1116	0.1186	0.1094	0.1059	0.1383	0.1262	0.1415
Louisiana	298	365	294	322	315	355	368	445	0.0663	0.0861	0.0672	0.0723	0.0701	0.0781	0.0804	0.0967
Maine	159	156	126	136	130	220	202	222	0.1212	0.1186	0.0956	0.1031	0.0986	0.1657	0.1520	0.1670
Maryland	1,283	1,556	1,408	1,427	1,445	1,731	1,638	1,715	0.2298	0.2773	0.2499	0.2522	0.2535	0.2991	0.2805	0.2914
Massachusetts	3,301	4,368	3,835	3,896	4,038	5,260	5,526	6,119	0.5115	0.6755	0.5901	0.5954	0.6124	0.8014	0.8364	0.9207
Michigan	3,664	4,178	3,695	3,583	3,516	4,277	4,397	4,997	0.3631	0.4144	0.3676	0.3582	0.3527	0.4330	0.4452	0.5056
Minnesota	2,582	3,268	2,920	2,869	2,972	4,005	4,227	4,278	0.5056	0.6348	0.5625	0.5485	0.5644	0.7541	0.7905	0.7953
Mississippi	127	152	184	142	144	172	172	161	0.0438	0.0525	0.0630	0.0483	0.0488	0.0579	0.0578	0.0539
Missouri	732	863	861	786	877	1,140	1,003	1,165	0.1261	0.1472	0.1457	0.1320	0.1465	0.1901	0.1669	0.1935



Table A.5								
Income Per Non-Farm Proprietor								
State	2005	2006	2007	2008	2009	2010	2011	2012*
Alabama	\$26,369	\$27,173	\$24,319	\$23,574	\$21,661	\$24,706	\$25,230	\$26,683
Alaska	\$32,033	\$33,548	\$30,269	\$29,184	\$28,627	\$32,674	\$33,325	\$35,679
Arizona	\$28,902	\$29,962	\$26,397	\$25,412	\$22,056	\$24,320	\$24,693	\$25,768
Arkansas	\$25,419	\$26,431	\$22,944	\$23,146	\$20,816	\$23,121	\$23,856	\$24,857
California	\$38,939	\$40,455	\$35,117	\$33,020	\$28,891	\$30,358	\$31,003	\$32,485
Colorado	\$37,206	\$39,115	\$32,709	\$32,070	\$27,043	\$31,393	\$32,342	\$33,041
Connecticut	\$43,204	\$45,896	\$40,877	\$37,044	\$36,088	\$41,527	\$42,033	\$43,187
Delaware	\$30,115	\$31,203	\$27,968	\$26,749	\$24,032	\$28,401	\$28,935	\$29,414
Florida	\$22,400	\$22,842	\$20,447	\$18,980	\$17,212	\$19,692	\$19,940	\$20,637
Georgia	\$27,044	\$26,933	\$24,863	\$22,842	\$20,440	\$22,367	\$22,669	\$23,498
Hawaii	\$24,982	\$25,982	\$23,133	\$21,931	\$19,941	\$22,522	\$22,877	\$23,860
Idaho	\$24,857	\$25,371	\$22,997	\$22,672	\$20,646	\$22,946	\$23,411	\$24,698
Illinois	\$35,482	\$36,939	\$32,008	\$29,988	\$26,512	\$30,162	\$30,509	\$31,351
Indiana	\$28,221	\$28,916	\$26,527	\$25,269	\$22,208	\$25,579	\$26,165	\$27,471
Iowa	\$24,773	\$25,384	\$24,570	\$23,866	\$22,435	\$26,777	\$27,730	\$29,006
Kansas	\$29,720	\$30,931	\$27,805	\$28,839	\$23,840	\$27,844	\$28,520	\$29,800
Kentucky	\$25,994	\$26,524	\$24,471	\$24,181	\$21,317	\$24,180	\$24,863	\$26,111
Louisiana	\$32,488	\$30,456	\$28,971	\$31,317	\$24,873	\$28,069	\$29,226	\$30,382
Maine	\$22,793	\$23,571	\$21,560	\$19,666	\$19,886	\$21,494	\$21,922	\$23,127
Maryland	\$26,608	\$27,285	\$24,188	\$25,223	\$23,762	\$27,023	\$27,491	\$28,799
Massachusetts	\$37,993	\$39,730	\$36,907	\$32,418	\$31,500	\$36,354	\$36,749	\$38,516
Michigan	\$29,238	\$28,889	\$25,764	\$21,868	\$18,998	\$21,199	\$21,926	\$22,944
Minnesota	\$26,296	\$26,899	\$24,457	\$24,022	\$21,540	\$24,464	\$24,895	\$25,948
Mississippi	\$26,794	\$26,657	\$24,435	\$24,643	\$22,078	\$23,844	\$24,515	\$25,797
Missouri	\$28,635	\$29,717	\$26,737	\$28,605	\$26,926	\$29,125	\$29,659	\$30,973

Table A.5 (Continued)								
Income Per Non-Farm Proprietor								
State	2005	2006	2007	2008	2009	2010	2011	2012*
Montana	\$24,718	\$25,324	\$22,206	\$20,864	\$18,310	\$20,144	\$20,626	\$21,656
Nebraska	\$26,186	\$26,824	\$25,094	\$25,573	\$24,382	\$28,645	\$29,527	\$30,924
Nevada	\$28,333	\$28,669	\$24,375	\$22,778	\$21,003	\$23,186	\$23,629	\$24,460
New Hampshire	\$32,757	\$34,961	\$31,315	\$27,972	\$26,859	\$30,525	\$31,233	\$32,720
New Jersey	\$39,908	\$41,506	\$38,250	\$36,706	\$34,103	\$37,473	\$38,087	\$39,572
New Mexico	\$25,251	\$26,245	\$23,253	\$23,054	\$19,113	\$20,566	\$21,162	\$22,013
New York	\$42,232	\$45,599	\$40,369	\$39,175	\$39,753	\$45,878	\$46,395	\$47,623
North Carolina	\$24,338	\$25,234	\$22,199	\$21,693	\$19,615	\$21,794	\$22,443	\$23,492
North Dakota	\$26,290	\$26,388	\$24,108	\$23,641	\$21,741	\$24,866	\$25,335	\$27,072
Ohio	\$26,978	\$27,607	\$24,657	\$25,491	\$22,931	\$25,834	\$26,404	\$27,342
Oklahoma	\$36,330	\$38,853	\$34,783	\$44,483	\$27,923	\$34,170	\$36,480	\$37,044
Oregon	\$25,753	\$26,683	\$23,849	\$24,371	\$21,246	\$23,203	\$23,685	\$24,917
Pennsylvania	\$36,152	\$37,383	\$34,611	\$34,404	\$29,632	\$33,159	\$34,118	\$35,485
Rhode Island	\$31,220	\$31,928	\$29,566	\$27,432	\$24,822	\$28,932	\$29,589	\$30,858
South Carolina	\$19,860	\$20,502	\$18,289	\$17,990	\$15,891	\$17,886	\$18,426	\$19,365
South Dakota	\$29,090	\$28,745	\$26,604	\$24,674	\$22,277	\$24,741	\$25,168	\$26,342
Tennessee	\$37,506	\$38,867	\$35,681	\$33,589	\$32,265	\$35,507	\$36,603	\$38,282
Texas	\$44,215	\$45,520	\$41,767	\$46,685	\$34,040	\$39,209	\$40,899	\$42,405
Utah	\$22,464	\$23,104	\$20,742	\$21,307	\$18,936	\$21,111	\$21,307	\$22,313
Vermont	\$21,337	\$22,739	\$19,976	\$18,105	\$17,312	\$19,704	\$19,976	\$21,014
Virginia	\$30,295	\$30,508	\$27,379	\$25,674	\$22,580	\$26,288	\$26,904	\$28,069
Washington	\$31,373	\$33,274	\$30,652	\$30,025	\$27,212	\$29,784	\$30,341	\$31,968
West Virginia	\$28,466	\$29,512	\$27,338	\$29,181	\$23,913	\$26,915	\$27,500	\$29,014
Wisconsin	\$26,115	\$26,974	\$24,371	\$23,130	\$22,325	\$25,317	\$25,771	\$26,947
Wyoming	\$31,387	\$32,709	\$28,391	\$29,847	\$24,683	\$28,690	\$29,723	\$30,624

Source: U.S. Bureau of Economic Analysis

\*Note: 2012 is an estimate based on growth in proprietor income, 2012 proprietor count not available

Table A.6								
State Entrepreneurship Index Rank 2005-2012								
State	2005 Rank	2006 Rank	2007 Rank	2008 Rank	2009 Rank	2010 Rank	2011 Rank	2012 Rank
Alabama	33	50	34	42	47	45	42	47
Alaska	35	38	39	30	25	16	25	19
Arizona	15	2	3	26	49	49	39	22
Arkansas	34	20	33	8	22	32	32	45
California	13	8	9	9	10	13	13	6
Colorado	2	3	4	16	11	23	22	10
Connecticut	12	16	12	12	4	10	12	7
Delaware	5	29	21	39	45	29	36	43
Florida	4	9	11	2	43	26	34	15
Georgia	29	31	25	22	40	37	41	33
Hawaii	49	41	29	33	30	42	48	42
Idaho	1	1	1	6	13	27	35	38
Illinois	16	15	20	17	5	8	5	14
Indiana	45	44	38	36	35	38	30	37
Iowa	47	45	43	46	27	35	43	21
Kansas	38	35	44	25	8	19	10	44
Kentucky	48	36	30	49	50	30	47	48
Louisiana	25	10	48	31	12	4	50	31
Maine	40	46	32	32	26	43	21	39
Maryland	20	32	27	34	33	28	16	35
Massachusetts	6	49	18	20	7	2	1	23
Michigan	37	40	37	45	39	46	49	50
Minnesota	19	12	35	24	28	25	9	4
Mississippi	39	43	42	41	37	47	45	49
Missouri	42	42	41	47	36	34	40	34
Montana	50	22	14	14	23	31	33	27
Nebraska	32	33	36	29	20	22	24	16
Nevada	8	6	6	5	31	48	44	28
New Hampshire	23	11	13	10	6	7	6	3
New Jersey	7	14	24	13	18	3	7	29
New Mexico	44	26	31	27	34	24	27	41
New York	14	13	15	4	1	1	3	2
North Carolina	41	28	16	21	42	40	28	30
North Dakota	28	37	47	15	14	9	2	1
Ohio	43	47	45	38	41	41	26	40
Oklahoma	24	21	22	3	21	6	19	20
Oregon	10	4	8	43	29	12	11	5
Pennsylvania	27	27	23	23	15	14	8	9
Rhode Island	11	25	26	44	24	20	20	13
South Carolina	17	18	50	50	48	50	46	46
South Dakota	30	34	40	37	19	18	29	32
Tennessee	31	23	19	18	32	33	37	25
Texas	18	19	2	19	16	11	4	8
Utah	3	7	28	40	38	44	23	17
Vermont	26	24	17	11	9	15	15	11
Virginia	21	30	5	28	17	17	18	12
Washington	22	17	7	7	2	21	17	24
West Virginia	46	48	46	48	44	36	38	36
Wisconsin	36	39	49	35	46	39	31	26
Wyoming	9	5	10	1	3	5	14	18

Sources: U.S. Departments of Labor, Commerce and Patent Office

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